

DEPARTMENT OF WORKFORCE DEVELOPMENT
DIVISION OF WORKFORCE SOLUTIONS
ADMINISTRATOR'S MEMO SERIES

☐ ACTION
☒ NOTICE 05-07

ISSUE DATE: 5/27/05
DISPOSAL DATE: 6/31/2007

*PROGRAM CATEGORIES:

<input type="checkbox"/> AS	<input type="checkbox"/> FM	<input type="checkbox"/> ML	<input type="checkbox"/> TR
<input type="checkbox"/> CC	<input type="checkbox"/> FL	<input type="checkbox"/> NA	<input type="checkbox"/> W-2
<input checked="" type="checkbox"/> CS	<input type="checkbox"/> IT	<input type="checkbox"/> RA	<input type="checkbox"/> WIA
<input type="checkbox"/> CF	<input type="checkbox"/> JC	<input type="checkbox"/> TC	
<input type="checkbox"/> CR	<input type="checkbox"/> LM	<input type="checkbox"/> TA	

To: Child Support Agency Directors

From: Bill Clingan /s/
Division Administrator

RE: CALENDAR YEAR 2006 CHILD SUPPORT ALLOCATIONS - PRELIMINARY NOTICE

PURPOSE

This memo provides child support agencies with preliminary allocation information (Calendar Year (CY) 2006 for counties) to assist agencies in their budgeting process. This memo addresses performance based allocations, child support administrative funds, and medical support liability incentives. See attachment.

BACKGROUND

A subcommittee of the Child Support Policy Advisory Committee (PAC) and the Department met to develop a formula on which the CY 2006 performance funding allocations are based. The estimated amount of \$13,256,650 is being allocated in the attachment. This estimate is based on the Governor's SFY 05-07 biennial budget proposal. If actual child support incentive revenues are higher or lower than the projected amounts, the corresponding allocations will be adjusted accordingly on the final federal award. The exact amount may also be increased or decreased subject to the approval of the State's Biennial Budget.

Performance funds will be matched with (66%) sixty-six percent federal funds for allowable child support activities. Agencies will continually receive sixty-six percent of reimbursement on the reportable expenditures even when the Performance funds are exhausted.

* PROGRAM CATEGORIES:

AS--Apprenticeship Standards	FM--Financial Management Requirements	ML--Migrant Labor	TR--Transportation
CC--Child Care	FL--Foreign Labor Certification	NA--Native American Services	W-2--Wisconsin Works
CS--Child Support	IT--IT Systems	RA--Refugee Assistance	WIA--Workforce Investment Act
CF--Children First	JC--Job Center	TC--Tax Credit Programs	
CR--Civil Rights	LM--Labor Market Information	TA--Trade Assistance	

PERFORMANCE BASED ALLOCATION (STATE and FEDERAL)

The performance-based allocation provided in the attachment shows the estimated amount that may be earned under the CY 2006 contract. Performance standards for earning this allocation will be communicated in a future Administrator's Memo.

The methodology used to determine the child support allocations has changed from prior years. The OCSE-157 report of cases for September 30, 2004, was used to determine the caseload size for each agency for purposes of the 2006 allocations. Allocations are based on caseload size, with agencies in the Smallest, Small, Medium and Large counties receiving the same amount per case. This resulted in a significant reduction for the three Smallest counties: Iron, Pepin and Florence counties. Those counties will be reduced by not more than 10% each year until they receive the same amount per case as the other counties. The Extra Large and Milwaukee counties receive different amounts per case for their allocations, as follows:

Amt Per Case	County Size	Caseload
\$54.80	Smallest	350 cases or fewer
\$44.35	Small	at least 351 cases but not more than 2,950 cases
\$44.35	Medium	at least 2,951 cases but not more than 5,200 cases
\$44.35	Large	at least 5,201 cases but not more than 9,500 cases
\$45.58	Extra Large	at least 9,501 cases but not more than 50,000 cases
\$30.26	Milwaukee	over 100,000 cases

In January and in February 2006, agencies will receive an advance payment based on one-tenth of the allocation or load amount, whichever is less. The corresponding 66% federal administrative advance will be paid in the same way.

MEDICAL SUPPORT LIABILITY (MSL) INCENTIVES

The monthly estimated Medical Support liability (MSL) incentive payment to be made to agencies in CY 2006 will be one-twelfth of the earned MSL incentive amount for FFY 2004. The monthly amount is indicated on the attachment. The methodology used has not changed from last year. There will continue to be an annual MSL adjustment to reconcile estimated incentives with earned incentives.

Agencies may request a modification of the monthly MSL payment. Requests for modifications should be directed to the Child Support Area Administrator and must include a justification that results in at least a five percent change (positive or negative) in Medical Support Liability estimate. Adjustments will be reflected in the first available payment month following approval. Any agency requesting a modification will be notified in writing of the revised MSL payment amount, or the reason for the denial of the modification request.

REGIONAL OFFICE CONTACT: Child Support Administrators

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ATTACHMENT